# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:2675
ANSWERED ON:17.03.2017
Development of Andhra Pradesh
Maganti Shri Murali Mohan;Reddy Shri Mekapati Rajamohan

**Will the Minister of FINANCE be pleased to state:**

(a) whether the Government has initiated action to fulfil the assurances made in the Andhra Pradesh Reorganisation Act, 2014 of granting special category status and by allocating funds for infrastructural, Industrial projects, Educational Institutions, construction of Capital city, Secretariat and development of Polavaram river project;

(b) if so, the details and the present status thereof along with the funds released for the above projects as on date;

(c) the reasons for delay in establishing Railway zone at Visakhapatnam, new Port Trust at Duggirajupatnam, Nellore and setting up new Steel Plant at Kadapa district; and

(d) the other steps taken/being taken by the Government to fulfil all the provisions made in the Act?

## Answer

MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) to (d): Yes. The Central Government has already initiated action to fulfil the assurances made in the Andhra Pradesh Reorganisation Act, 2014. Since bifurcation of the State, Rs.10,461.04 crore has been released to the State in terms of provisions made under the Act. This includes releases of Rs.3979.50 crore for resource gap of 2014-15, Rs.1050 crore for development of 7 backward districts of Andhra Pradesh, Rs.2500 crore for development of essential infrastructure in new Capital city and Rs.2932.54 crore for Polavaram Irrigation Project. It has further been decided to provide100% of the remaining cost of irrigation component of Polavaram Project for the period starting from 1.4.2014, to the extent of the cost of irrigation component on that date. The Asian Development Bank (ADB) has approved Rs.4165 crore in loans and grant for infrastructure development along the Vizag-Chennai Industrial Corridor. Acquisition of land for setting up AIIMS at Mangalagiri in the State has been done and pre-investment activities have been completed at the site. The academic sessions in most of the educational institutions have commenced from the temporary campuses set up with central support provided by the respective line Ministries and actions are being taken by them for early establishment of such institutions. Further, in order to support the developmental efforts of Government of Andhra Pradesh the Central Government will also provide special assistance measure to Government of Andhra Pradesh, which would make up for the additional Central share the State might have received during 2015-16 to 2019-20, if the funding of Centrally Sponsored Schemes (CSS) would have been shared at the ratio of 90:10 between the Centre and the State. The special assistance will be provided by way of repayment of loan and interest for the Externally Aided Projects (EAPs) signed and disbursed during 2015-2016 to 2019-20 by the State. In respect of the establishment of Railway zone at Visakhapatnam, new Port Trust at Duggirajupatnam, Nellore and new Steel Plant at Kadapa district of the State the concerned Ministries in coordination with the State Government of Andhra Pradesh and other stakeholders are in the process of considering the feasibility issues for setting up of these establishments. The Central Government is committed to fulfil the provisions made in the Act.

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